



# The opportunities for social dialog in Egypt

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All printing and publication rights reserved. This report may be redistributed with attribution for non-profit purposes under Creative Commons license. www.creativecommons.org/licenses/by-nc/3.0 This study was authored by Shaheer George, a researcher at the Egyptian Initiative for Personal Rights. The study was reviewed by Ashraf Hussein, the head of the Economic and Social Justice Unit at Egyptian Initiative for Personal Rights. Copy editing was done by Ahmed el-Shibiny. In light of the recent decisions and changes in economic policies as formulated in the 2014/2015 budget aiming to reduce budget deficits, which was issued by the presidency with no consultation with social or political actors, in addition to the establishment of the national council for social dialogue representing Labor Unions, employers' associations and experts to be consulted on Labor policies byPrime Minister Decree no. 1027 2014 in accordance to labor law no. 12 for 2003; EIPR launches this study that tackles the prospects of a solid social dialogue in Egypt with a specific emphasis on its ability to reach social pacts.

Certainly, social dialogue is much broader than social pacts, for it can mean negotiation, consultation or simply an exchange of information and views between representatives of employers, workers and governments.<sup>1</sup>Yet the interest in social pacts is for its ability in many cases of history and until recently to build the consensus needed between conflicting actors on economic policies at times of democratic transitions or economic crises. We find social pacts highly relevant for the Egyptian case, where the inability to forge consensus on economic policies amidst democratic consolidation keeps creating tensions and lack for trust in the democratic process among the conflicting social actors obstructing the stability of this process. Moreover, during times of transition, the lack of consensus can stall economic development needed for these countries which usually witness economic stagnation amidst transition in a way that affects the overall trust of the democratic process not only among these social actors but more importantly among normal citizens.

Social pacts also gain its importance for being a result of tripartite social dialogue that takes place between the State (i.e. Government), Employers' associations and Trade Unions.

As acknowledged in ILO official website, social dialogue, in specific that exists between the social actors, is gaining a lot of importance.

According to the organization"dialogue among and between the governments and the two "social partners" promotes consensus building and democratic involvement of those with vital stakes in the world of work"<sup>2</sup>. In fact, The ILO is the only "tripartite" United Nations agency in that it brings together representatives of governments, employers and workers to jointly shape labour standards, policies and programs<sup>3</sup>.

- 2- Ibid
- 3- Ibid.

<sup>1-</sup> ILO official Website, http://www.ilo.org/global/topics/workers-and-employers-organizations-tripartism-and-social-dialogue/lang--en/index.htm.

## What is a social pact?

There is no clear definition of a social pact, yet it could be closely defined as a tripartite agreement between government, Labor unions and Employers associations implying certain obligations on each of the signing members.

In most cases social pacts are reached through a signed agreement, yet it could take place through join statements and letters of intent as agreed by these different actors.

Social pacts started mainly in Western Europe post world war II as a tool to reach agreements between the state, labour unions and employers associations. Rather than depending on different interest groups ability to influence decision making in parliament to reach policies that either favor labor or employers, this agreed mechanism to reach compromise between conflicting actors has been favored by the state. It has been echoed in literature also under the term neo-corporatism or societal corporatism.

Societal corporatism unlike State-corporatism is driven by the different actors' freedom of choice rather than its imposition by the state<sup>4</sup>. There is no obligation from the State on either the employers' associations or the labor unions to commit to this form of negotiating interests, a fact which also explains the failure of many social pacts. For in this form of corporatism, it's the recognition of the different actors to the need of reaching this level of consensus that makes it a successful process or not.

In hindsight, it's important to understand the different motives of actors to engage in such pacts. As the most important challenge to reach a social pact whether amidst a democratic transition or economic crises is the conviction of the different actors to the need of reaching consensus. In fact, pacts are usually driven or initiated by an exceptional situation, be it an economic crises or a transitional phase.

Overall challenges of pacts during democratic transition or economic crises:

<sup>4-</sup> Still the Century of Corporatism?, Philippe C. Schmitter, The Review of Politics, Vol. 36, No. 1, The New Corporatism: Social and Political Structures in the Iberian World (Jan., 1974), pp. 85-131Published

Although as mentioned earlier, economic crises or transitional phases usually drive the interest of actors to engage in social pacts, this policy paper captures several challenges that are usually faced to reach such pacts through reviewing several countries which underwent several rounds of social pacts whether amidst democratic transition or acute economic crises.

The first of these challenges is the fear of cooptation on the side of labor to engage in such forms of negotiations. Through reviewing different countries, Labour unions appear to be mostly skeptical to engage in these negotiations, fearing that their ability to enforce their demands can be weakened and their other tools of pressure such as striking could be undermined. This has been the case in several Latin American countries like Brazil or Argentina where Labor unions were skeptical of joining any form of negotiation with the aim of reaching a social pact<sup>5</sup>. The fear was usually from a State controlled process or closed door negotiations that can lead to demoralization and demobilization of ordinary trade unions members. On the other hand countries like Chile whose unions accepted social pacts as a medium of promoting their interests perceived it as a tool among others. A Chilean trade union leader explains it by saying: "social struggles and concertation are not mutually exclusive alternatives but must be integrated in a unified strategy".<sup>6</sup>

Such skepticism is usually raised by radical voices that aim to reach their maximalist demands or are doubtful of ruling elite's bias towards labor or employers. This leads us to realize that a key challenge to engage in social pacts whether from the state, employers or labor unions is the recognition of the inability to reach maximalist demands. Without acknowledging the lack of opportunity for a zero-sum game, no social pacts seems to be achievable .

A second challenge is the attempt of employers associations and in many cases governments who are more right wing to favor a pact that focuses on capital accumulation and competitiveness of their markets globally overlooking social justice.

In an interesting analysis to the outcomes of social pacts in western European countries in earlier decades, capital accumulation seemed to be the major outcome of these pacts rather than social justice. According to this analysis, the fate of the wage indexation, introduced in Italy in 1975 as a result of working-class pressure was its abolishment in the first round of social pacts in 1992<sup>7</sup>. In Ireland the essential content of several

<sup>5-</sup> Ronaldo Munck, "The Social Pact in Latin America: advantages for Labour", INTERNATIONAL, January/February 1993.

<sup>6-</sup> Ibid.

<sup>7-</sup> Tom Bramble and Neal Ollett, The Recent Experiences of South Africa and South Korea Corporatism as a Process of Working-class Containment and Roll-back, Journal of industrial relations, http://jir.sagepub.com/content/49/4/569

rounds of social pacts is demonstrated by the fall in the wages share of national income from 71 percent to 57 percent between 1987 and 2000<sup>8</sup>. In Holland, where social concertation is regarded as a major success by its proponents, the share of capital in national income doubled from 10 percent in 1983 to 20 percent by 1990, stabilizing at 17 percent by the end of the century<sup>9</sup>.

According to this analysis, European social pacts in the past decades have been aimed at winding back the welfare state and reviving the profit share in national income in circumstances of economic crisis.

Thirdly, pacts usually are short-lived when driven solely by international pressures or when it is state-imposed especially when resources are highly lacking.

The fact that both conditions makes pacts short-lived is its pre-planned nature whether due to international prescription that is imposed or state imposed allocation of resources that wish to be passed in a social pact. This is highly the case for instance, in countries that accepts international organizations loans or countries living under the EU . A clear recent case is the economic crises witnessed in Spain recently and the repeatedly failing social pacts to overcome it<sup>10</sup>. Another reason is the lack of space for political exchanges in such a format, a vital condition for a successful pact. Proponents of social pacts should envisage a situation where all can benefit or at least might all equally suffer. In the Ireland program for national recovery (PNR), which was initiated in 1987, the state exchanged with labor centralized wage moderation for income tax reduction<sup>11</sup>. Such an exchange managed to survive for over almost 20 years<sup>12</sup>.

Fourthly, social pacts face major challenges when attempted during a polarized political environment and aggressive political/class conflicts. Many cases show that social pacts are usually facilitated when governments closely linked or minimally accepted by labor unions come to power. Another reason is when governments appear weak for electoral reasons or overall state volatility to manage a crises unilaterally, hence seeks to build a broad societal alliance around its adjustment policies.13 As an example, the tripartite alliance in South Africa

8- Ibid.

9- Ibid.

12- Ibid.

Ibid.

<sup>10-</sup> See, Oscar Molina and Fausto Miguelez, "From negotiation to imposition: Social Dialogue in Austerity times in Spain", working paper no. 51, ILO, Geneva.

<sup>11-</sup> Lucio Baccaro and Sang-Hoon Lim, "Social pacts as coalitions of 'weak' and 'moderate': Ireland, Italy and South Korean in a comparative perspective", International institute of labor studies (Geneva), ILO, 2006

<sup>13</sup> 

between the African National Congress (ANC), the communist party and the labor unions, safeguarded all social pacts even though they didn't bring much gains to labor<sup>14</sup>. In Chile, the fact that a coalition government was created in 1989 post Pinochet and was widely accepted by labor, made social pacts survive<sup>15</sup>. This coalition wasn't only situation driven but a real consensus between the left and the Christian Democrats that founded the new economic system of the country respecting private property under transparent and accountable governance while seeking to meet the people's social and economic needs<sup>16</sup>. In sum, the social pact was part of a broader political pact<sup>17</sup>. On the other hand, In South Korea, due to an acute economic crisis, social pacts failed to take place or even when they did, they failed to survive<sup>18</sup>. In South Korea it wasn't only political conflicts but also class polarization that affected social pacts failures. In South Korea, unemployment soared from half a million to nearly two million in the year following their economic crisis; in addition, the public-sector workforce was cut by 19 percent between 1998 and 2000<sup>19</sup>. The crisis was so deep that it sharpened class polarization in South Korea, undermining the ground on which social partnership could be built.

As for the employers' associations on the other hand, no case show their centrality in initiating social pacts unless less favoring governments appear, yet they are fundamentally important in the sustainability of any pact<sup>20</sup>.

Finally, the biggest challenge is the weak institutional conditions to safeguard any pact which are multiple. On the one hand, there are institutional obstacles inside the labor unions and employers associations themselves, and on the other hand, there are other institutional obstacles with regards to State mechanisms and political systems of the country.

With regards to the social actors, pacts usually fail if the overall level of unionization is weak in the country. In these cases unions tend to have a weak bargaining power, there is less interest of the state and employers to engage in peak negotiations with labor and finally Labor unions fail to safeguard the commitment of workers

16- Ibid.

17- Ibid.

19- Ibid.

<sup>14-</sup> Tom Bramble and Neal Ollett, The Recent Experiences of South Africa and South Korea Corporatism as a Process of Working-class Containment and Roll-back, Journal of industrial relations, http://jir.sagepub.com/content/49/4/569

<sup>15-</sup> Ronaldo Munck, "The Social Pact in Latin America: advantages for Labour", INTERNATIONAL, January/February 1993.

<sup>18-</sup> Tom Bramble and Neal Ollett, The Recent Experiences of South Africa and South Korea Corporatism as a Process of Working-class Containment and Roll-back, Journal of industrial relations, http://jir.sagepub.com/content/49/4/569

<sup>20-</sup> Lucio Baccaro and Sang-Hoon Lim, "Social pacts as coalitions of 'weak' and 'moderate': Ireland, Italy and South Korean in a comparative perspective", International institute of labor studies (Geneva), ILO, 2006

to these pacts. In some exceptional cases, pacts were successful, although the Labor movement enjoyed weak membership, for they still maintained formidable capacities for social mobilization. The challenge is the same if employers are not organized in one bloc, yet it was rare to find in countries reviewed.

It's important to note here, that weak unionization is not only due to weak organizational structures but also to the country's production structures. In countries, where production structures are consisting mainly of small and medium enterprises or informal ones, workers representation is usually limited or non-existent.

Another important aspect as well, is the discrepancy inside the social actors and the institutional mechanism to overcome these differences. Even in Labor federations, which maintain capacities for social mobilization, the lack of solid democratic structures to overcome the disagreements inside these federation, can obstruct social pacts. Labor are not one solid group, however they hold disagreements and discrepancies among them, same as employers. For instance, in South Korea, the workers who were most affected by downsizing due to economic crises in South Korea were the daily and temporary workers not the regular workers in Chaebol (big business conglomerates) unions<sup>21</sup>. In addition, white and blue collars in small and medium enterprises felt weaker than Chaebol unions, hence preferred national pacts than enterprise bargaining<sup>22</sup>. Unless there are democratic inclusive mechanisms to assuage these disagreements between workers, pacts struggle. In Italy, an institutional mechanism sought inside Labor Federations to assuage these disagreements has been rank-and file consultations supported by secret ballot referendum<sup>23</sup>. In 1995 social pact, the tentative agreement was discussed thoroughly in company-level assemblies, then a secret ballot referendum involving four and a half million voters of which 64% approved the reform<sup>24</sup>. This gave support to moderate camp favoring the pact and weakened opposing mobilization.

Another example is Ireland where there is an "Electoral College" system inside the federations, making the bigger the unions inside the federation, the bigger the share of their voting in major decisions<sup>25</sup>. Therefore, although private sector unions especially in highly profitable crafts sector favored decentralized enterprise

22- Ibid.

24- Ibid.

25- Ibid.

<sup>21-</sup> Tom Bramble and Neal Ollett, The Recent Experiences of South Africa and South Korea Corporatism as a Process of Working-class Containment and Roll-back, Journal of industrial relations, http://jir.sagepub.com/content/49/4/569

<sup>23-</sup> Lucio Baccaro and Sang-Hoon Lim, "Social pacts as coalitions of 'weak' and 'moderate': Ireland, Italy and South Korean in a comparative perspective", International institute of labor studies (Geneva), ILO, 2006

bargaining, social pacts were approved democratically due to the bigger share of public sector unions<sup>26</sup>. More importantly, although the approval of pacts in some instances passed with small majorities, around 181 votes in favor versus 141 against, the pact gained legitimacy due the trust in the democratic proceedings<sup>27</sup>. In sum, incorporating direct democratic procedures for rank and file members in major decision rather than indirect electoral procedures appears more effective to assuage differences, especially in comparing South Korea to Italy and Ireland.

As with regards to the political system, a major institutional issue is freedom of association which guarantees the genuine representation of these interest groups, hence the real enforcement of these pacts. Without freedom of association and with state-controlled employers and Labor federations, pacts usually collapse at some point of time for its lack of legitimacy among those they should represent. Here, it should be noted that weakening independent federations during autocracy have its later effects even when transitioning to democracy. In South Korea, the weakening of vertical links inside even state- controlled federations and promoting fragmentation of unions during autocratic rule has created a major obstacle to independent federations in mobilizing support for social pacts in recent years <sup>28</sup>.

Finally, the lack of an institutional framework for negotiations that either ensures the commitment of the different actors to these pacts or at least ensures the consistent negotiations and balanced representation of the different interest groups can obstruct social pacts. Social partners and especially labor unions are usually more encouraged to engage in social dialogue when the contingent character of tripartite social dialogue is forgone and more sustainable structures for negotiations are created.

Key conditions for social pacts and its application on Egypt:

Based on the aforementioned possible challenges that could obstruct social pacts especially in countries living a transition or facing an acute economic crisis, decision makers in Egypt should work on the following eight conditions if willing to engage social actors in social dialogue in general or social pacts in specific.

<sup>26-</sup> Ibid.

<sup>27-</sup> Ibid.

<sup>28-</sup> Tom Bramble and Neal Ollett, The Recent Experiences of South Africa and South Korea Corporatism as a Process of Working-class Containment and Roll-back, Journal of industrial relations, http://jir.sagepub.com/content/49/4/569

### 1- Freedom of association

Moving ahead with the Trade Unions and employers associations' freedom laws is a must if the state is willing to reach a pact among social actors that truly represent the interests of these actors. Without a genuine representation of these social actors, pacts if reached, will hardly be enforced by trade unions or businessmen that are excluded from negotiating these pacts.

The current trade union law no. 35 for 1976 doesn't allow freedom of association. The only legal document that makes it possible to register independent unions is a ministerial declaration by the ex-minister of manpower Dr. Ahmad Elborie issued in March 2011.<sup>29</sup> The declaration announced the ministry recognition of independent union under the pretext of Egypt's signing of ILO agreements no. 87 & no.98. Yet in real practice, the independent unions are not legally recognized in many workplaces or according to Egyptian laws with the repeatedly failing attempt to issue a new Trade unions law. A late draft has been announced by the ministry of manpower yet no cabinet discussion or approval has been announced<sup>30</sup>.

As for Employers associations, there is room to establish business associations as NGOs with all the limitation imposed on freedom of association in the current Egyptian NGO law. However the Federation of the Egyptian Chambers of Commerce or the Federation of Egyptian Industries is still to a large extent state influenced through state appointees and similar bodies aren't allowed to be established independent of these bodies. To date, no amendments have been introduced or discussed with regards to the Federation of the Egyptian Chambers of Commerce law no. 189 for 1951 with its amendment in law no. 6 for 2002. Also the same case stands true with the Federation of Egyptian Industries Law no. 21 for 1958.

#### 2- High rate of unionization

Without workers being organized in unions, any enforcement of pacts is unachievable even with the inclusion of freely associated trade unions. Workers have to be encouraged to join trade unions, if pacts enforcement is to be reached. Indeed, freedom of association encourage workers unionization, for worker often avoid independent unions due to legal constrains. However, economics structures are an equally strong reason for weak rate of unionization in the country. In a country where informality and SMEs is the dominant structures of employment, unionization is hard to exist as explained earlier. In Egypt, the state should deal with informality

<sup>29-</sup> Joel Beinin, "The Rise of Egyptian Workers", Carnegie Paper, June 2012, http://m.ceip.org/publications/?fa=48689

<sup>30-</sup> Shorouknews website, August 25th, 2013,

http://www.shorouknews.com/news/view.aspx?cdate=25082013&id=705bfc3c-986a-41aa-8716-85f1436e04eb

and the inability of growth to SMEs with highest priority if willing to encourage unionization. According to the Economic research forum (ERF) 2012 Labor Panel Survey, "Employment in the private sector remains predominantly informal and mostly concentrated in small and micro-enterprises". <sup>31</sup> In fact, according to the survey, 73 percent of private wage employment in 2012 was informal, with workers having neither social security nor a contract<sup>32</sup>. Moreover, employment continues to be dominated by firms with 1-4 employees constituting 45 percent of employment in 2012<sup>33</sup>. Also Firms with 5-9 employees constitute 17 percent of employment in 2012<sup>34</sup>. This is of great relevance for unionization knowing that the public sector only employs 26 percent of the workforce in 2012<sup>35</sup>.

Although there is no clear data on unionization, according to some estimates covering mainly the formalized sectors, the Egyptian Federation of Independent Trade Unions (EFITU) represents 10.2 percent of labor force, while The Egyptian Trade Union Federation (ETUF) constitutes 16.2 percent of labor force.<sup>36</sup>

#### 3- Legitimacy of decision making in nationalmajor organizations:

It is necessary for representatives of social actors in social pacts negotiations to be nationally representative and enjoying legitimacy among their constituencies. Again this is a necessary condition for social pacts survival and enforcement. More importantly, as exemplified in the above-stated cases, the existence of direct democracy procedures in controversial issues can solidify pacts and ensure that differences inside peak organization are assuaged properly. The state responsibility in Egypt is to avoid any meddling in social actors' structures in a way that could de-legitimize their decision making, yet the greater responsibility is on these actors ability to build internal and legitimate democratic structures.

#### 4- Economic and political exchanges

Social pacts should witness exchanges among the different actors if they are to survive. As mentioned earlier,

33- Ibid.

34- Ibid.

35- Ibid.

<sup>31-</sup> Ragui Assaad and Caroline Krafft, "The Structure and Evolution of Employment in Egypt: 1998-2012", Working Paper 805, The Economic Research Forum, November 2013.

<sup>32-</sup> Ibid.

<sup>36-</sup> Nadine Abdulla, Egypt's Workers – From Protest Movement to Organized Labor: A Major Challenge of the Transition Period, German Institute for International and Security Affairs, page 2, October 2012, http://www.swp-berlin.org/fileadmin/contents/products/comments/2012C32\_abn. pdf

proponents of social pacts should envisage a situation where all can benefit or at least all might equally suffer. It's the responsibility of state to avoid imposed or pre-planned pacts. More importantly, the state should be willing to offer compromises and engage in political and economic exchanges with the different social actors. In that regard, capital accumulation should not overcome commitment to social justice or else labor unions will be discouraged to engage in negotiations

#### 5- Less polarized social and political divide

Social pacts cannot survive or even get initiated in a polarized environment such as that witnessed by Egypt over the past 3 years. The above review indicated that the more successful examples were in those countries that managed to avoid polarization and build broader political and economic consensus in the middle of transition. In Egypt, the ingredients of class polarization do exist with high poverty and unemployment rates. According to the 2012/2013 official Income, Expenditure and Consumption Survey Report, the overall poverty rate in Egypt is 26.3 percent with a higher rate in rural Upper Egypt of 49.4 % and urban Upper Egypt of 26.7 %<sup>37</sup>. It should be also noted that poverty rates in this survey is calculated as those with monthly income less than only 326.7 Egyptian pounds<sup>38</sup>. As for unemployment rates, it reached 13.4 % in the first quarter of 2014 according to CAPMAS<sup>39</sup>.

In such conditions, broader political and economic consensus is highly needed to be able to move pacts forward and avoid possible upheavals because of this class polarization.

#### 6-Institutional frameworks

Social actors would be less inclined to engage in negotiations for social pacts in an institutional framework that favors one social actor over the other or that disregard important players within those actors. More importantly, the above review indicates that the contingent character of social pacts create a greater environment of mistrust among actors. Only with the existence of institutionalized regular frameworks for social dialogue among the social actors on economic and social policies - a framework which builds more trust and communication between those actors- can the probability of social pacts be increased. In addition, there has to be clear

<sup>37-</sup> Income, Expenditure and Consumption Survey Report 2012/2013, Central Agency For Public Mobilization and Statistics (CAPMAS), November 2013

<sup>38-</sup> Ibid.

<sup>39-</sup> Bulletin of Labor Force (Jan-March) 2014, Central Agency For Public Mobilization and Statistics (CAPMAS), April 2014, http://www.capmas. gov.eg/Pepo/sdds\_lb1.pdf

obligations and commitments on the different actors taking part of the pacts, if serious engagement of those actors in these negotiations is expected.

In Egypt, there are several institutional frameworks for social dialogue yet have never been taken seriously. According to Articles 34 and 145 of Egyptian Labor Law No.12 for 2003, two bodies should be founded representing Labor Unions, employers' associations and experts to be consulted on Labor policies. According to article 34 a national council on wages to set the minimum wage in the country and minimum annual appraisals, representing Labor unions, employers' associations and experts, should be founded by the prime minister under the leadership of Minister of Planning. The number of experts should be equal to both the number of labor unions and employers associations' representatives, while the number labor unions and employers associations and Employers associations. In Fact, this article has been recently activated on June 17th 2014 by prime ministerial decree no. 1027 for 2014 forming a consulting body titled the national council for social dialogue. The only restriction according to the article is for labor unions and employers to be equally represented, which has been instated in the decree. The body is to be consulted on labor laws, review collective agreements before signing, propose solutions to create better ties between workers and employers, conduct studies on labor issues and give opinion with regards to issues presented to them by relevant ministries.

Yet these bodies need to be adjusted or have the economic and social council reinstated which was removed from 2012 constitution in recent constitutionals amendments to ensure the equal representation of all social actors including the State, rather than maintain these bodies which are overridden with state appointees. In addition, consultation with these bodies shouldn't be optional but rather an obligation. Finally, without freedom of association these bodies will remain non-representative of the real constituencies that are supposed to be represented in these bodies.

#### 7- The right to strike should be preserved

Negotiations and social dialogue shouldn't take away peaceful protest tools away from the workers if engagement of these actors in social pacts is needed. Workers should have their right to protest or strike safeguarded in the laws and constitution in order to engage them in social dialogue or negotiations for social pacts. If workers felt that they need to trade off these rights in order to engage in social dialogue, they will bail out of these negotiations. So far, the right of workers to strike has been curtailed whether since the SCAF interim rule or up to date.

For instance, the Military Council, in a desperate attempt to intimidate workers from striking, issued decree 34/2011 which harshly penalizes strikes. The Decree includes:

"Set[ting] a fine of up to EGP 50,000 (about \$8,333) for anyone participating in or encouraging others to join a sit-in or any other activity that prevents delays or disrupts the work of public institutions or public authorities. The penalty increases to EGP 500,000 (about \$83,333) and at least a year's imprisonment in the event of violence or property damage that may lead to destruction of means of production or harm national unity and public security and order"<sup>40</sup>.

As for The Freedom and Justice Party, the deposed president Mohamad Morsi issued a law during his rule called "Revolution Protection" on the 22nd of November 2012<sup>41</sup>. This law has been condemned by independent federations and human rights organizations as it adds strikes as crimes against the revolution in its article 4<sup>42</sup>. For the article refers to chapters 15 and 16 in the third book of the Egyptian Criminal Code (which are related to strikes) as crimes against the revolution. In fact, these chapters remain to date and have been demanded repeatedly by independent federations and human rights groups to be removed from the criminal code for they penalize workers right to strike.

Lastly, according to the current Egyptian Labor law no. 12 for 2003; strikes must be approved exclusively by General Unions and ETUF board. In addition, strikes are prohibited in strategic establishments. The Prime Minister decree 1185/2003 – still in place – defines those establishments as: national security and military production facilities, hospitals, medical centers, pharmacies, bakeries, all public transportation facilities (sea, ground and air), means of goods transportation, drinking water, electricity, gas and sanitation establishments, communications facilities, all ports and workers in education institutions<sup>43</sup>.

These laws must be amended immediately to safeguard the right of workers to protest or strike.

<sup>40-</sup> Joel Beinin, "The Rise of Egyptian Workers", Carnegie Paper, June 2012, http://m.ceip.org/publications/?fa=48689

<sup>41-</sup> Almasry Elyoum Newspaper online, November 23rd, 2012, http://www.almasryalyoum.com/node/1261176

<sup>42-</sup> The Arab Network for Human Right Information official website, 25th November 2012, http://www.anhri.net/?p=63884

<sup>43-</sup> Youssry Alazabawy, 25th of Jan revolution: Towards a new syndicate arrangement, Al-Ahram Center for Political and Strategic Studies, 2011

# 8- Incorporation of other actors in civil society which represent marginalized voices

The review of the different countries which engaged in social pacts or societal corporatism, showed that including other actors in civil society rather than classical tripartite arrangement, can solicit more legitimacy and sustainability of Social pacts. The value of including other civil society actors is its representation of marginalized voices in decision making, a condition necessary for better policy making. Nowadays, it's indisputable that better governance and policy making, is the one which guarantee a greater participatory voice to civil society, particularly those marginalized.

Therefore it's important for policy makers in Egypt to include those actors that truly represent marginalized voices whether geographically or sectoral. In addition they should be equally represented in negotiations to avoid another level of marginalization.